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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of JS Bank Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **JS Bank Limited** ("the Bank") for the year ended 31 December 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Bank. Our responsibility is to review whether the Statement of Compliance reflects the status of the Bank's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Bank's personnel and review of various documents prepared by the Bank to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Bank's corporate governance procedures and risks.

The Regulations require the Bank to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Bank for the year ended 31 December 2023.

Date: 07 March 2024

Karachi

UIDN: CR202310106Pd3N79r5w

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STATEMENT OF COMPLIANCE

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the 'Regulations')

Name of company: **JS Bank Limited (the 'Bank')**
Year ended: **December 31, 2023**

The Bank has complied with the requirements of the Regulations in the following manner:

1. The total number of directors of the Bank is seven (07) as per the following:
 - a. Male: Six (06) including the President and Chief Executive Officer (President & CEO)
 - b. Female: One (01)
2. The composition of the Board is as follows:

Category	Names
i) Independent Directors	<ul style="list-style-type: none"> • Ms. Nargis Ali Akber Ghaloo • Lt. Gen. (R) Sadiq Ali • Mr. Khalilullah Shaikh* • Syed Mumtaz Ali Shah • Mr. Usman Yousaf Mobin
ii) Non-Executive Directors	<ul style="list-style-type: none"> • Mr. Adil Matcheswala – Chairman
iii) Executive Director	<ul style="list-style-type: none"> • Mr. Basir Shamsie – President & CEO
iv) Female Director	<ul style="list-style-type: none"> • Ms. Nargis Ali Akber Ghaloo (Independent Director)

* Mr. Khalilullah Shaikh was appointed by the Board of Directors on December 12, 2023 subject to approval of State Bank of Pakistan (SBP). The approval from SBP was received on February 06, 2024.

3. The directors have confirmed that none of them is serving as a director on more than seven (07) listed companies, including the Bank.
4. The Bank has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Bank along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy, and significant policies of the Bank. The Board has ensured that a complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Bank.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 (Act) and the Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording, and circulating minutes of meetings of the Board.

8. The Board has a formal policy and transparent procedures for the remuneration of directors in accordance with the Act and the Regulations.
9. Out of seven (07) directors, five (05) directors have completed Director's Training Program, and one (01) director is exempted from the requirement in accordance with the Regulations. Whereas one (01) newly elected director will obtain certification in due course.
10. The Board has approved the appointment of the Chief Financial Officer (CFO), Company Secretary, and Head of Internal Audit, including their remuneration and terms and conditions of employment, and complied with relevant requirements of the Regulations. No new appointment has been made during the financial year.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below-

Audit Committee:

Ms. Nargis Ali Akber Ghaloo (Independent Director)	Chairperson
Lt. Gen. (R) Sadiq Ali (Independent Director)	Member
Mr. Khalilullah Shaikh (Independent Director)*	Member

HR Remuneration & Nomination Committee:

Syed Mumtaz Ali Shah (Independent Director)	Chairman
Mr. Adil Matcheswala (Non-Executive Director)	Member
Mr. Usman Yousaf Mobin (Independent Director)	Member

Risk Management Committee:

Syed Mumtaz Ali Shah (Independent Director)	Chairman
Lt. Gen. (R) Sadiq Ali (Independent Director)	Member
Mr. Basir Shamsie (Director, President and CEO)	Member

IT Committee:

Mr. Usman Yousaf Mobin (Independent Director)	Chairman
Ms. Nargis Ali Akber Ghaloo (Independent Director)	Member
Mr. Basir Shamsie (Director, President and CEO)	Member

13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committees for compliance.

14. The frequency of meetings of the committees was as per following:

Committees	Meetings held during the year
Board Audit Committee	Four (04)
Board HR Remuneration & Nomination Committee	Four (04)
Board Risk Management Committee	Four (04)
Board IT Committee	Five (05)

15. The Board has set up an effective internal audit function comprising suitably qualified and experienced persons for the purpose and is conversant with the policies and procedures of the Bank.

16. The statutory auditors of the Bank have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the CEO, CFO, Head of Internal Audit, Company Secretary or Director of the Bank.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations, or any other regulatory requirement, and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33, and 36 of the Regulations have been complied with.

For and on behalf of the Board

Basir Shamsie

President & CEO

Adil Matcheswala

Chairman

Karachi: February 29, 2024